

STATE OF ARIZONA
CITIZENS CLEAN ELECTIONS COMMISSION

MUR: No. 06-0007

STATEMENT OF REASONS OF EXECUTIVE DIRECTOR

On behalf of the Citizens Clean Elections Commission (“Commission”), the Executive Director hereby provides the Statement of Reasons showing no reason to believe violations of the Citizens Clean Elections Act and or the Commission rules (collectively, the “Act”) occurred.

I. Procedural Background

On July 27, 2006, Joseph Robinson (“Complainant”) filed a complaint against Cheryl Chase (“Respondent”), State Representative, District 23. (Exhibit A.) The complaint alleges that the Respondent violated the personal/family contribution limit and transferred her Clean Campaign Funding from the 2004 General Election to the 2006 election cycle. The Complainant also alleges that the Respondent received a contribution in excess of the contribution limit, as reported in the Respondent’s June 30th campaign finance report. The Respondent is an incumbent running for reelection as a nonparticipating candidate. On August 10, 2006, the Respondent responded to the complaint. (Exhibit B.)

II. Alleged Violations

A. On the Respondent’s 2004 Post-General report viewable on the Secretary of State’s website, a list of “Outstanding Debts” appear. The Complainant contends that these debts were not reimbursed, therefore should be classified as in-kind contribution from the candidate to the campaign, in excess of the personal contribution limit.¹ On the same report, the Respondent lists a cash on hand balance of \$1,587.63. The Complainant alleges that the Respondent carried over the balance to the subsequent 2006 campaign.²

On December 20, 2004 after review of the Post-General Report, the Commission contacted the Respondent regarding the reporting discrepancy. (Exhibit C.) A report was then filed by the Respondent amending the “Outstanding Debts” to be reflected as “Expenditures” consequently reducing the cash on hand to a zero balance. (Exhibit D.) On January 7, 2006 the former Executive Director, notified the Respondent that “For CCEC purposes, there is no unspent funding left in your account.” (Exhibit E.) Based on the foregoing, including the

¹ A.R.S. § 16-941(A)(2) specifies that a candidate “*Shall not make expenditures of more than a total of five hundred dollars of the candidate’s personal monies for a candidate for legislature or more than one thousand dollars for a candidate for statewide office.*” For the 2004 Election Cycle, the five hundred dollar limit was raised to five hundred and fifty dollars.

² A.R.S. § 16-953 (B) states “*At the end of the general election period, a participating candidate shall return to the fund all monies in the candidate’s campaign account above an amount sufficient to pay any unpaid bills for expenditures made before the general election and for goods or services directed to the general election.*”

Commission's record that the Respondent has no unspent candidate funding from the 2004 election, there is no violation.

B. The Respondent alleges that the Respondent also accepted contributions in excess of the contribution limit in the 2006 election cycle. The Respondent is currently running as a nonparticipating candidate, therefore enforcement regarding this issue is not in the Commission's jurisdiction. In the response filed by the Respondent, however, it is stated that excess amount was returned to the campaign on July 12, 2006.

III. No Reason to Believe Finding

Based on the complaint, the Respondent's response, the Respondent's amended Campaign Finance Report, and the Commission's records, the Executive Director recommends the Commission dismiss the matter under review, based on the Respondent's compliance prior to the complaint being received.

Dated this __ day of August, 2006

By:

Todd Lang